

Victoria Crawford
Office: (217) 836-7624

Victoria.Crawford@illinois.gov

## ICC Initiates Formal Investigation into 2<sup>nd</sup> Draft Renewable Energy Access Plan

Chicago, IL –The Illinois Commerce Commission recently initiated a formal proceeding to develop and adopt a Renewable Energy Access Plan (REAP), an actionable plan for meeting Illinois' policy requirements for a clean electricity system. A requirement of the Climate and Equitable Jobs Act, a draft REAP co-authored by ICC Staff and the Brattle Group was presented to the Commission for consideration. Consultants from Great Lakes Engineering served as contributing authors focused on land use and renewable energy access zones. The draft also includes stakeholder input received over a 120-day public comment period.

"Now it is up to the Commission to review and formally adopt the final Illinois REAP. The REAP will need to be updated again in 2025 and every two years thereafter," said ICC Executive Director Michael Merchant. "The REAP is an important document that will serve as a blueprint for regulators, policy makers and energy stakeholders moving forward to ensure Illinois' achieves its decarbonization and equity goals."

The final REAP will serve the role of clarifying and quantifying policy requirements and goals; translating these requirements into the volume of renewable and clean resources needed over time; highlighting attractive renewable energy zones within the state across a variety of assessment criteria; identifying and recommending pathways to utilize these zones to inform transmission planning; identifying reforms to transmission interconnection and planning processes needed to ensure that the required resources can be deployed; and identifying potential reforms to regional transmission organization (RTO) markets to reliably and affordably support Illinois' clean electricity transition.

Initial findings and recommendations in the REAP are centered around five strategic elements:

- Strategic Element 1: Tracking Progress Toward Illinois Policy Goals. Clarify the outlook for renewable and clean energy supply needs, in order to determine how much renewable access must be created:
- Strategic Element 2: Transitioning to a 100% Clean Electricity Mix. Examine the incentives and enforcement mechanisms that may be needed to support competitive investment in a reliable mix of resources throughout transition to 100% clean electricity;
- Strategic Element 3: Managing Land Use in Renewable Deployment. Identify opportunities to equitably manage land use in renewable deployment and coordination with transmission development, including through the development of REAP zones;
- Strategic Element 4: Effective Transmission Planning & Utilization. Develop a strategy for maximizing the use of existing transmission infrastructure and proactively planning around future needs to provide the necessary transmission cost effectively and reduce barriers to renewable development; and

• Strategic Element 5: Leveraging Regional Electricity Markets & Trade. Identify opportunities for leveraging regional electricity markets and trade to access the most efficient resources, avoid emissions leakage, and maintain reliability.

The REAP finds that by 2050, total Illinois renewable production will need to increase substantially from 21 TWh/year today to 64 to 450 TWh/year to serve Illinois Policy goals. The low end of the range reflects the ongoing reliance on Illinois' nuclear resources, the high end of the range reflects a scenario in which all of Illinois' nuclear power plants retire, and that electricity consumption could increase by 50-200% to support decarbonization of transportation and space heating sectors.

The following are among the many recommendations in the second draft of the REAP:

- Potential legislative and regulatory policy changes and market reforms including enhanced reporting requirements to capture progress against goals; developing accounting methodologies to measure the scope of greenhouse gas emissions as they relate to electricity imports; addressing gaps to ensure electricity demands are served by clean resources; developing new RTO rules to ensure a balanced 100% clean resource mix to reflect state policies; and coordinating with other states for access to renewable power.
- To manage land use for future renewable generation, the report suggests adopting REAP Zone concepts for guided participation in the RTO Interconnection and transmission planning process, and the initiation of a study to quantify renewable interconnection capability on the existing grid. The REAP considers the importance of equity in land use in resource development.
- Increasing the pace of interconnection is necessary to support demand, and the RTOs. The ICC should continue to provide input into MISO's planning processes, advocate for reform in PJM's transmission planning processes, advocate for interconnection reforms and pursue a joint interconnect study to address interconnection needs near the PJM-MISO seam.
- Addressing existing and future RTO resource adequacy challenges. The report recommends the initiation of a study and feasibility assessment of available options for addressing the identified MISO resource adequacy gap; supporting and participating MISO reform efforts; requesting MISO support for a 2-3 year forward procurement; requesting PJM support to expand its capacity auction to support procurement of Illinois Zone 4 capacity needs; and contributing efforts to design and implement a new regional marketplace where states and consumers can procure clean electricity attributes.

To follow the REAP proceeding visit Docket No. 22-0749 here on the ICC website. Throughout the legal proceeding, the public and stakeholders will be afforded additional opportunities to provide comment. The Commission is expected to take final action on the REAP in the summer of 2023.

###







